

SENATE BILL 531

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C4

2004 Regular Session
4r2510
CF 4r2509

By: **Senator Astle**

Introduced and read first time: February 6, 2004

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Insurance - Cancellation of Policy for Nonpayment of Premium - Notice**

3 FOR the purpose of authorizing certain insurers to send a notice of intention to cancel
4 for nonpayment of premium to an insured by certificate of bulk mailing; and
5 generally relating to insurance policies and notices of cancellation for
6 nonpayment of premium.

7 BY repealing and reenacting, without amendments,
8 Article - Insurance
9 Section 27-601(a)
10 Annotated Code of Maryland
11 (2002 Replacement Volume and 2003 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article - Insurance
14 Section 27-601(d)
15 Annotated Code of Maryland
16 (2002 Replacement Volume and 2003 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - Insurance**

20 27-601.

21 (a) This section does not apply to policies of:

22 (1) life insurance;

23 (2) health insurance;

24 (3) motor vehicle liability insurance issued to a resident of a household
25 in the State as set forth in § 27-605 of this subtitle; or

1 (4) surety insurance.

2 (d) At least 10 days before the date an insurer proposes to cancel a policy for
3 nonpayment of premium, the insurer shall cause to be sent to the insured, EITHER by
4 certificate of mailing OR CERTIFICATE OF BULK MAILING, a written notice of
5 intention to cancel for nonpayment of premium.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 October 1, 2004.